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C O N F I D E N T I A L SECTION 01 OF 06 YEREVAN 000267

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DEPT FOR EUR/CARC, NSC FOR MARIA GERMANO

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TAGS: PGOV PHUM PREL ASEC KDEM AM

SUBJECT: UNEASY SEMI-CALM SETS IN; ALL SIDES AWAITS APRIL 9
INAUGURATION AND THE NEXT CHAPTER

REF: A. YEREVAN 249

1B. YEREVAN 207

1C. YEREVAN 200

1D. YEREVAN 187

1E. YEREVAN 186

1F. YEREVAN 179

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Classified By: CDA Joseph Pennington, reasons 1.4 (b/d).

SUMMARY

11. (C) The much-anticipated end of the state of emergency (SOE) on March 21 transpired without any violence, with Armenian police massed in downtown Yerevan to deter would-be protesters. The silent evening protest drew roughly 3,000 supporters, a smaller-than-expected number that suggests GOAM pressure during the SOE has temporarily succeeded in derailing the opposition movement headed by Levon Ter-Petrosian (LTP). While calm prevailed over Easter weekend, the GOAM continued its manhunt of LTP sympathizers, interrogating and arresting key allies, including a former prime minister, and smothering attempts to stage new protests. Confrontation continued at a low simmer, as pro-opposition forces staged daily, evening "political promenades" on the newly-built pedestrian street, while police reacted by arresting randomly chosen participants and bystanders. On the public relations front, President-elect Sargsian unveiled a new coalition government, the Prosecutor General formed a working group to publicize its investigation into the March 1-2 events, and Defense Minister Harutiunian previewed the imminent sacking of another LTP ally, Deputy Defense Minister Manvel Grigorian, who allegedly mounted a coup attempt that President Kocharyan foiled in late February. The NSS "unofficially" approached the U.S. Embassy in response to rumors that the embassy is harboring fugitive oppositionist Nikol Pashinian. END COMMENT.

FRAGILE CALM

12. (C) A fragile calm prevailed on March 21, the first day following the end of Armenia's 20-day state of emergency. Riot police massed in overwhelming numbers in downtown Yerevan, occupying Freedom Square and preventing would-be protesters from entering the site of the 11-day-long protests that police violently dispersed on March 1. A peaceful afternoon demonstration by wives of prominent detainees had

been planned for Freedom Square, to be followed by an early evening silent protest. The latter was to be in the form of a human chain, leading from Freedom Square through the center of town to the Russian Embassy (i.e., anchored at either end in the sites of the March 1-2 altercations).

¶3. (C) To counter the two protests, large numbers of police were positioned in Freedom Square and all key downtown areas along the silent protest route, effectively pre-empting gatherings the likes of which preceded the eruption of violence on March 1-2. During the afternoon, post received unconfirmed reports of several people being beaten by police, but for the most part demonstrators and police steered clear of each other. FSNs who observed the protest action said they knew and recognized hundreds of the "passersby" who were not quite committed enough to wear a black armband and carry a candle, but nonetheless found excuses to loiter around in the area to express their tacit support.

¶4. (C) RSO's final estimate was that 3,000 protesters turned out along the whole route. Efforts to coalesce into the orderly human chain -- which was to be one person every meter, with no talking and no touching -- never took hold except very briefly in a few locations, as the protesters instead clumped into small groups walking the route. According to media reports, six people were detained after the silent protest, four of whom were fined for participating in an "illegal event" before being released. Two others were reportedly taken to the Prosecutor General's office and questioned about their participation in the March 1-2 events.

The situation over Easter weekend and through the following week has been relatively calm. Riot police did turn out in force on Saturday in certain downtown areas, apparently in response to scattered rumors of another attempt at protesting which to post's knowledge never materialized.

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Media Situation Improves... Sort Of

¶5. (SBU) After the SOE's lifting, several opposition newspapers resumed publishing the follow morning, and some independent media websites were unblocked. As of March 24, all newspapers resumed publishing and access to previously banned internet sites was restored. Post confirmed that RFE/RL's Armenia Liberty service is back on the air and its internet sites accessible. It has also been confirmed that censors from the National Security Service (NSS) are no longer being posted in printing houses. In spite of the end of the SOE's media ban, however, some journalists covering protests have been detained and intimidated by police (see below). And on March 26, the center-right daily Azg (Nation) reported that Armenia's State Tax Service is set to launch a large-scale tax inspection of the stridently oppositional 4th Estate newspaper. According to the editor-in-chief of 4th Estate, the inspection is politically motivated and has likely been triggered by the paper's recent decision to become a daily (previously it published three editions a week).

MANHUNT FOR LTP ALLIES CONTINUES UNABATED

¶6. (U) On the first day after the SOE's lifting, key LTP associates were detained, including former Prime Minister Aram Sargsian, founder and head of the Republic Party. (NOTE: Sargsian is the brother of the martyred ex-Defense and Prime Minister Vazgen Sargsian, murdered in Armenia's parliament in October, 1999). He was released the same day but detained again March 24 for further questioning, and finally charged on March 25 with trying to take power by force and provoking mass disorders. He remains at liberty, but has signed a document pledging not to depart the country.

Also on March 21, LTP's nephew, Arakel Semirjanian, was picked up by police at a cafe adjacent to Freedom Square. He was held for nine hours before being released and told he would have to pay an administrative fine later.

¶7. (C) The press secretary for the fugitive opposition oligarch/MP Khachatur Sukiasian visited the embassy several times in recent days with news updates. She told us that Sukiasian's brother Robert was arrested by Georgian authorities at the Tbilisi airport in early March, for immigration irregularities. He was reportedly arrested for illegally crossing the Georgian border, as airport immigration authorities could not find an entry stamp for his road crossing from Armenia into Georgia. Sukiasian was apparently trying to board a flight to Ukraine. The brother's story is that he was asleep in the car during the border crossing formalities and "there must have been some misunderstanding" which allowed his passport to go unstamped. His current whereabouts are unclear, but it appears that he remains in detention, either in Georgia or Armenia. It was also reported March 25 that Sayat Hovhannesian, Director of Armenia's "Bjni" mineral water operation belonging to Sukiasian was arrested March 21 at an unspecified border crossing. His press secretary confirmed the arrest, but knew neither the reason for it nor Hovhannesian's current whereabouts.

¶8. (C) Also, two cashiers at one of Sukiasian's businesses, the Pizza de Roma chain, were arrested and questioned by police on March 21, apparently after being summoned to a police station. They were reportedly charged for serving as accomplices (presumably to their boss's alleged law-breaking) and evasion of taxes. On March 24, one of them was sentenced to 20 days' detention after being held for 72 hours. The second cashier did not arrive in court with the first, fueling media speculation that she probably succumbed to threats while in detention and agreed to cooperate with authorities who then released her.

¶9. (C) On March 24, LTP confidant and Embassy contact David Shahnazarian was also summoned for police questioning. The former NSS chief took his lawyer along, and apparently refused to answer questions before being released 40 minutes later. Another top LTP aide, Levon Zurabian, was summoned to the police station for questioning March 27, spending about two hours, but was released without incident. Zurabian later alleged to polchief that for his first half-hour at the police station, a series of police officers each refused instructions from superiors to question Zurabian, and finally the division supervisor had to do it himself. Zurabian's

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implication was that rank-and-file police are disgusted and want nothing to do with such politicized procedures.

¶10. On March 25, Arshak Banuchian, the deputy director of the Matenadaran Museum of Ancient Manuscripts, was arrested. Banuchian's arrest was confirmed by the Prosecutor General's office on March 25, but he has yet to be formally charged. Banuchian is said to be non-partisan, but openly backed LTP's presidential bid and took part in LTP's rallies. He reportedly read out a statement signed by a large group of Matenadaran employees urging their compatriots to vote for LTP. As for LTP himself, he continues to remain under de facto house arrest in his downtown mansion. (NOTE: LTP spent his Soviet-era career as a scholar at the Matenadaran before entering politics in the late 1980s. END NOTE)

AS POLICE SMOTHER NEW PROTESTS, PUNISH LTP PROXIES

¶11. (C) Protesters have gathered daily for the past week in front of the home of arrested MP Sasun Mikaelian in the village of Vanatur, near the town of Hrazdan. On March 25, police reportedly used force to disperse the several dozen

residents gathered there to show solidarity with their neighbor. Police detained several residents and a reporter from the opposition Zhamanak Yerevan (Yerevan Times) newspaper, and two other journalists from the opposition 4th Estate newspaper hid in Mikaelian's basement to prevent police from confiscating their cameras. PAS staff spoke with Zhamanak Yerevan personnel and one of the 4th Estate journalists while this was going on, both of whom confirmed the events. The two journalists-in-hiding called Armenia's government Human Rights Defender (Ombudsman) who immediately dispatched a car to Hrazdan (45 minutes drive time from Yerevan) to escort them safely back to Yerevan. The detained journalist was released the same day, after being questioned for one hour on her presence in the village. She alleged that police tried to force her to delete photos from her digital camera. The detained residents were also released the same day. Media reports indicate that police in Hrazdan were questioning school children from Vanatur, whose residents had been protesting all week to demand Mikaelian's release. Children (ages not specified) were reportedly pressed by police to identify organizers of the protest, forced to give testimony and advised to keep away from the village center where the protest was being held.

¶12. (U) Since the SOE's lifting, LTP supporters have attempted to hold nightly "political promenades" at 6:00 pm on the recently-built, pedestrian-only Northern Avenue which now connects Freedom Square with Republic Square to the south. The quasi-protesters simply stroll, congregate in small groups, or read a book or newspaper -- anything that provides an innocent pretext for being present on the avenue, in an act of silent protest. The quasi-spontaneous assemblies have been advertised on opposition-oriented blogs.

Anywhere from several dozen to perhaps several hundred supporters show up any given evening. From March 22-24, there was one report of a detention of two citizens during one of the promenades, who were subsequently released. However, on March 25 the pro-LTP A1Plus online news site posted a video that showed the dispersal of that evening's earlier promenade, with police cutting electricity in the area before moving in under darkness to promptly detain six of the protesters, one of whom was reportedly listening to RFE/RL radio.

¶13. (U) On March 26-27, police detained more of the quasi-protesters, around 50 on the 26th, and probably 20-30 on the 27th, in what became an almost surreal tableau. All of the gathered citizens reading or chatting quietly created a scene of seeming relative normalcy. However, every few minutes police would choose -- seemingly at random -- an individual to surround and take away to the police station. None of the detained were seen to resist, and the police did not use any particular force, simply taking the individuals by each arm and walking them over to a police vehicle. Those detained report being finger-printed, photographed, lectured, and released after two or three hours. Early in the week police reportedly took the detained to a hospital for a forced drug test, but that element was dropped on later days.

¶14. (C) Top LTP aide Levon Zurabian and charged, but still at liberty, ex-Prime Minister Aram Sargsian told Polchief March 27 that the LTP camp since the lifting of the SOE has been regularly applying to Yerevan's municipality to hold rallies

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only to have all of them rejected. Post confirmed with the municipality that they have received applications for rallies but refused to comment on how they have adjudicated the requests. (NOTE: According to new legislation expeditiously passed by the parliament last week, it now falls to the Yerevan municipality to approve or deny requests for rallies, demonstrations or protests in the capital. Previously citizens only had to submit notice they were planning to hold a gathering, and did not need to secure approval from the municipality. The new law allows authorities to ban a rally "if they receive trustworthy reports from police or security

services that such an action may threaten national security, public order or violate citizens' constitutional rights."
END NOTE.)

¶15. (C) According to RFE/RL, a court in the northern Lori region on March 25 fined an LTP election proxy approximately USD 1,600 for obstructing the work of a local election commission during Armenia's February 19 presidential election. Lori's chief prosecutor claimed that the proxy "distracted" commission members from performing their duties and unduly interfered in the voting. The Lori prosecutor also told the Vanadzor court which issued the verdict that the proxy "disseminated baseless doubts and speculations" about the freedom and fairness of the election. The proxy denied the allegations, and accused the election commission itself of obstructing her work. According to RFE/RL, this is the second case in as many months that an LTP proxy in Lori has been fined on the same charge. (NOTE: Two contacts from the northern Lori city of Stepanavan have alleged their work as LTP proxies was also hindered by election commission members the day of the election. One of them has subsequently been pursued by the NSS and detained and questioned by Stepanavan police for his involvement in the Freedom Square protests and March 1-2 events in Yerevan. END NOTE.)

NSS ASKS WHETHER U.S. EMBASSY HIDING PASHINIAN

¶16. (C) On March 24, Colonels Armen Aloyan and Vahagn Vardumian, respectively chief and deputy chief of the National Security Service international liaison division, sought an urgent, "unofficial" meeting with RSO. They said they were speaking on behalf of the NSS chief personally, though informally. The two officers said there have been persistent rumors in Yerevan that the U.S. Embassy is hiding pro-LTP opposition activist/newspaper editor Nikol Pashinian, who is wanted by Armenian authorities for his part in the March 1-2 events. They asked if it was true, to which RSO replied that he personally had no knowledge of Pashinian's whereabouts or of any U.S. Embassy contact with Pashinian. RSO also pointed out that the NSS's own uniformed division police stand 24/7 posts maintaining constant observation over the embassy compound. Aloyan and Vardumian said that they had no reason to believe that Pashinian was being hidden by the U.S. Embassy and theorized that he has already left the country (quite possibly to Georgia), but said that if he were here, he should be instructed to leave the embassy compound immediately. After consultation with the CDA, RSO called Aloyan back later the same day to more categorically assure that Pashinian is not and has not been on embassy premises at any recent time. (COMMENT: This odd incident suggests to us that the NSS is under intense pressure to catch Pashinian -- of all LTP's aides the one who regularly used the most radical rhetoric -- and the NSS apparently has no idea where he may be. We have had no contact with Pashinian in many months. We have long abstained from direct interaction with Pashinian and have not customarily invited him to embassy functions, as we viewed him as an unconstructive radical figure. END COMMENT.)

PM ON PR OFFENSIVE, UNVEILS NEW COALITION GOVERNMENT

¶17. (SBU) Prime Minister and President-elect Sargsian unveiled a new power-sharing agreement March 21. The new ruling coalition, which aims to further politically marginalize LTP, includes Sargsian's Republican Party, Prosperous Armenia, the Armenian Revolutionary Federation (or Dashnaksutyun), and the Orinats Yerkir (Rule of Law) party led by Artur Baghdassarian. Sargsian announced the new coalition with each of the party's leaders at his side. Prosperous Armenia's Gagik Tsarukian, the Dashnaks' Armen Rustamian and Orinats Yerkir's Baghdassarian joined Sargsian

with pledges to deepen democratic reform, speed up economic development, strengthen the rule of law and freedom of speech, and launch a "comprehensive and effective fight against corruption."

¶18. (SBU) President-elect Sargsian also gave an interview to the London-based "The Times" daily on March 21, as riot police dispersed protesters just blocks away from his downtown office. Sargsian downplayed the post-election political situation in Armenia, stating that "Nothing extraordinary is happening," and "There are some tensions in society but I think the 20-day emergency situation helped a lot." He said the GOAM was allowing the silent protest outside to take place even though it was not authorized. He added that "I don't think I am the one to blame for these divisions," in reference to the political crisis which erupted after the disputed February 19 election. (NOTE: "The Times" called readers' attention to the curious fact that April 9, the date of President-elect Sargsian's inauguration, coincides with the traditional 40-day remembrance ceremony that Armenians hold to mourn the deaths of the deceased, in this case being the eight killed in the March 1-2 violence. However, the Armenian Church teaches that if Easter falls within the 40-day period after a death, then it is inappropriate to mourn on the 40th day. The Easter celebration itself will have already ritually symbolized the departed's rise into heaven, obviating 40th-day prayers. This fine theological point may be lost on many of the less religious/observant mourners. END NOTE.)

¶19. (C) On March 24, Armenia's controversial Prosecutor General Aghvan Hovsepian also went on the PR offensive, establishing a public relations group to publicize his office's investigation into the bloody March 1-2 events. The ostensible purpose of the new body is to ensure the investigation's transparency, and provide both media and citizens access to impartial information on the conduct of the investigation. Members of the group include the PG's spokesperson Sona Truzian and the head of the March 1-2 investigation Hakob Karakhanian. (NOTE: The PG's office has been somewhat unhelpful in responding to Mission requests for updated lists of detainees, insisting that any and all Embassy information requests must be conveyed through a diplomatic note sent to the Foreign Ministry. The MFA has been assisting us with this, but the process has been cumbersome: we received on March 21 a data set that was dated March 10. END NOTE.)

¶20. (U) During a meeting with EU Special Representative for the South Caucasus Peter Semneby on March 22, PG Hovsepian declared his readiness to involve foreign experts in specific expert examinations that will be made as part of the criminal cases linked to the March 1-2 violence. As of March 25, official figures state that 106 people have been arrested and charged in criminal cases linked with the March 1-2 events. Hovsepian reportedly told Semneby that the investigatory body formed to look into the 106 cases has also been tasked to verify the legality of police actions taken during those two days. Hovsepian also told Semneby that his office has submitted proposals to involve foreign experts in the investigation to the OSCE and UN offices in Yerevan.

Alleged Coup Plotter's Head to Roll Soon?

¶21. (C) It was reported over the weekend that the fate of an alleged coup plotter, Lt General Manvel Grigorian, will be decided by President Kocharian, the Commander in Chief of Armenia's armed forces. Post previously reported that "General Manvel" could have been involved in a bona fide coup attempt on February 22 that the President apparently squelched before an impromptu convening of his military command early the morning of Saturday, February 23. Last week President-elect Sargsian publicly expressed regret -- during his televised Q&A based on public questions posted to

his newly created blog site (septel) -- that Grigorian "attempted to engage in politics and disobey" the Commander in Chief. LTP announced in a February 21 rally that Grigorian and another deputy Defense Minister had joined his opposition movement. Grigorian, a decorated war veteran of the Nagorno-Karabakh conflict, also heads the once-powerful Yerkrapah Union of Karabakh war veterans.

COMMENT

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¶22. (C) Both the government and opposition's longer-term plans remain unclear, but at least for now, much of the talk in Yerevan political circles has turned to the composition of the next government. Both sides seem to be waiting for the April 9 inauguration, which will open the next political chapter. Opposition leader Aram Sargsian told polchief it would be very useful, even for the opposition, to know who is clearly in charge of the government and thus with whom they must negotiate. President Kocharian is such a strident and uncompromising figure, it seems to suit everyone to wait out his departure before taking any significant next steps. While Aram Sargsian relayed rumors that some opposition sympathizers may try to mount protests surrounding the April 9 inauguration, we have detected no organized efforts toward that end. All sides seem right now to be waiting, assessing, and regrouping, while simply testing each other lightly at the margins. We suspect that this drama is not yet played out, but it remains unclear if there is another crescendo coming in the medium term, or if we are seeing the final flickering embers of post-election protests for this year.

PENNINGTON